

Pursuant to Article 5, Paragraph 1, Item b, Article 20, Paragraph 2, Item b and Article 37 of the Law on the Banking Agency of Republika Srpska ("Official Gazette of Republika Srpska" No. 59/13 and 4/17), Article 6, Paragraph 1, Item b and Article 19, Paragraph 1, Item b of the Statute of the Banking Agency of Republika Srpska ("Official Gazette of Republika Srpska" No. 63/17), the Management Board of the Banking Agency of Republika Srpska, at the 51st session, held on 6 April 2023, adopted the

DECISION

ON THE AMENDMENTS

TO THE DECISION ON THE CONDITIONS AND PROCEDURE OF ISSUING LICENSES, APPROVALS AND CONSENTS TO BANKS OPERATING IN REPUBLIKA SRPSKA

Article 1

In Article 7 of the Decision on the conditions and procedure of issuing licenses, approvals and consents to banks operating in Republika Srpska ("Official Gazette of Republika Srpska" No. 4/18, 26/22 and 117/22), in Paragraph 1, after the wording "agencies", the wording "mobile branches" shall be added.

In Article 7 of the Decision on the conditions and procedure of issuing licenses, approvals and consents to banks operating in Republika Srpska ("Official Gazette of Republika Srpska" No. 4/18, 26/22 and 117/22), in Paragraph 2, after the wording "banks" full stop shall be deleted, comma shall be added as well as the wording "except in case of establishing a mobile branch", and after the wording "structure", the wording "and information on provided office space for operations of the part of the bank (information on ownership, information on eventual lease, i.e. information on lessor, the amount of lease, lease duration and other)" shall be added.

In Article 7 of the Decision on the conditions and procedure of issuing licenses, approvals and consents to banks operating in Republika Srpska ("Official Gazette of Republika Srpska" No. 4/18, 26/22 and 117/22), in Paragraph 3, after the wording "elaboration", the wording "in accordance with Paragraph 2 of this Article" shall be added, in Item 2) of the same Paragraph the wording "Decision on bank internal control system ("Official Gazette of Republika Srpska" No. 89/17) shall be replaced by the wording "Decision on bank management system ("Official Gazette of Republika Srpska" No. 62/21 and 26/22)", and in Item 5) of the same Paragraph after the wording "space", the wording "if it is immovable property" shall be added.

In Article 7 of the Decision on the conditions and procedure of issuing licenses, approvals and consents to banks operating in Republika Srpska ("Official Gazette of Republika Srpska" No. 4/18, 26/22 and 117/22), in Paragraph 6, new Items 1), 2), 3) and 4) shall be added and read as follows:

1) For the change related to the address of an organizational unit, the bank shall deliver to the Agency: decision of the competent management body on the change in address of the organizational unit, statement that the bank will, at the new address of the organizational unit, provide efficient protection of assets in accordance with the provisions of the Decision on bank management system ("Official Gazette of Republika Srpska" No. 62/21 and 26/22), statement that the bank will, at the new address of the organizational unit, provide implementation of the provisions of the Law on anti-money laundering and countering the financing of terrorism ("Official Gazette of BiH, No.: 47/14 and 46/16), proof of provided office space at the new address (proof of ownership or lease contract on definite or indefinite period of time, with a proof that the lessor is the owner of the office space).

2) For the change related to the address of bank headquarters, the bank shall deliver to the Agency for consideration, the elaboration on economic justification of the change in headquarters address, decision of the competent management body on the change in the bank headquarters

address, statement that the bank will, at the new headquarters address, provide efficient protection of assets in accordance with the provisions of the Decision on bank management system ("Official Gazette of Republika Srpska" No. 62/21 and 26/22), statement that the bank will, at the new headquarters address, provide implementation of the provisions of the Law on anti-money laundering and countering the financing of terrorism ("Official Gazette of BiH, No.: 47/14 and 46/16), proof of provided office space (proof of ownership or lease contract on definite or indefinite period of time, with a proof that the lessor is the owner of the office space), and documentation in accordance with Article 4, Paragraph 1, Item 8 of this Decision.

3) For the change related to the modification of the organizational structure of an organizational unit, the bank shall deliver to the Agency:

a) decision of the competent management body on the modification of the organizational structure of the organizational unit, statement that the bank will, in the modified organizational structure of the organizational unit, provide efficient protection of assets in accordance with the provisions of the Decision on bank management system ("Official Gazette of Republika Srpska" No. 62/21 and 26/22), statement that the bank will, in the modified organizational structure of the organizational unit, provide implementation of the provisions of the Law on anti-money laundering and countering the financing of terrorism ("Official Gazette of BiH, No.: 47/14 and 46/16)

b) in case of modification into a higher organizational structure, apart from documentation referred to in Item 3 (a), the bank shall also deliver to the Agency for consideration, the elaboration on economic justification of the modification into a higher organizational structure of the organizational unit.

4) For the change related to the modification of the organizational affiliation of an organizational unit, the bank shall deliver to the Agency: decision of the competent management body on the modification of the organizational affiliation of the organizational unit."

Article 2

In Article 8 of the Decision on the conditions and procedure of issuing licenses, approvals and consents to banks operating in Republika Srpska ("Official Gazette of Republika Srpska" No. 4/18, 26/22 and 117/22), in Paragraph 1, after the wording "agencies", the wording "mobile branches" shall be added.

In Article 8 of the Decision on the conditions and procedure of issuing licenses, approvals and consents to banks operating in Republika Srpska ("Official Gazette of Republika Srpska" No. 4/18, 26/22 and 117/22), in Paragraph 1, Item 5), after comma the wording "except in case of establishing a mobile branch" shall be added, and in Item 9) of the same Article after the wording "space", full stop shall be deleted, comma shall be added and the wording "if it is immovable property".

Article 3

In Article 28 of the Decision on the conditions and procedure of issuing licenses, approvals and consents to banks operating in Republika Srpska ("Official Gazette of Republika Srpska" No. 4/18, 26/22 and 117/22), Paragraph 9 shall be amended and read as follows:

"After the request processing, the director of the Agency shall conduct an interview with proposed candidates, who were proposed as a member of the bank management for the first time, and may also conduct an interview with candidates who were proposed as a member of the bank management, and have previously performed that function. Decision upon the request for issuance of a prior consent for

the member of the bank management, the Agency shall issue within 30 days from the day of submitting the request with complete documentation.”

Article 4

In Annex 1 (Questionnaire) of the Decision on the conditions and procedure of issuing licenses, approvals and consents to banks operating in Republika Srpska (“Official Gazette of Republika Srpska” No. 4/18, 26/22 and 117/22), after Item 18, Item 19) shall be added and read as follows:

“Time commitment to the fulfilment of duties (specify time needed for performing the function to which you are being appointed, state a list of executive and non-executive functions or task you will be performing, as well as expected total number of days which within a year you must dedicate to the performance of the said, whether you have at your disposal sufficient amount of time to perform the function to which you are being appointed and all responsibilities such function includes, whether you are employed full time, state number of hours/days necessary to perform each of the functions or tasks you perform, whether the function to which you are being appointed in the bank includes additional responsibilities such as membership in other committees (risk committee, appointment committee, audit committee and other committees), whether the function to which you are being appointed will demand more time-dedication due to the size, complexity of operations and types of operations performed by the bank, confirm whether you may dedicate sufficient amount of time for periods of higher workload such as resolution and relocation of the bank headquarters, merger and acquisition of majority share or some form of crisis, whether you perform functions in some other organizations or entities which have not been founded primarily with the aim of generating profit, such as associations, non-profit organization, description of objectives of such organizations, except in cases when such information is not publicly available)”.

FINAL PROVISIONS

Article 5

This Decision shall come into force on the eighth day from the day of its publication in the “Official Gazette of Republika Srpska”.

Number: UO-423/23

Date: 6 April 2023

PRESIDENT OF THE
MANAGEMENT BOARD
Bratoljub Radulović